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# THE COMMITTEE ON ENERGY AND COMMERCE



## INTERNAL MEMORANDUM

May 3, 2011

TO: Members, Subcommittee on Energy and Power

FROM: Subcommittee on Energy and Power Staff

RE: Hearing on "The American Energy Initiative"

On Thursday, May 5, 2011, at 9:30 a.m. in room 2322 of the Rayburn House Office Building, the Subcommittee on Energy and Power will hold the sixth of a multi-day hearing entitled "The American Energy Initiative." This day of the hearing will focus on the challenges and opportunities facing alternative transportation fuels and vehicles. Witnesses are expected to testify on the status of the Renewable Fuels Standard (RFS), other federal programs, and private-sector efforts to encourage the development and use of alternative fuels and vehicles.

### I. WITNESSES

#### Panel I

**Mr. Howard K. Gruenspecht**  
Deputy Administrator  
U.S. Energy Information Administration

**Mr. Patrick Davis**  
Program Manager  
Vehicle Technologies Program  
U.S. Energy Information Administration

**Ms. Margo T. Oge**  
Director, Office of Transportation and Air Quality  
U.S. Environmental Protection Agency

#### Panel II

**Mr. James T. Bartis**  
Senior Policy Researcher  
Rand Corporation

**Mr. Richard Kolodziej**  
President  
NGV America

**Mr. Diarmuid O'Connell**  
Vice President of Business Development  
Tesla Motors

**Mr. Jeffrey G. Miller**  
Chairman of the Board  
National Association of Convenience Stores

**Mr. Michael J. McAdams**  
President  
Advanced Biofuels Association

**Mr. Robert Dinneen**  
President and Chief Executive Officer  
Renewable Fuels Association

**Mr. Lucian Pugliaresi**  
President  
Energy Policy Research Foundation, Inc. (EPRINC)

## **II. BACKGROUND**

Pursuant to the Energy Policy Act of 2005, the Energy Independence and Security Act of 2007, and other statutes, a host of federal programs are underway to develop and deploy alternatives to petroleum-derived motor fuels and the vehicles that run on them. High gasoline prices and Middle East instability have heightened the public's interest in these efforts.

Each alternative transportation energy source - biofuels, electricity, natural gas, coal-to-liquids, or others - offers a unique mix of potential benefits as well as economic and technological obstacles to overcome. Some require dedicated vehicles for which research and development is ongoing. Some necessitate changes to the existing motor fuel supply chain, while others will need an entirely new infrastructure. Nearly all entail costs that need to be reduced in order to expand market penetration. The most widely deployed alternative fuel to date is corn-based ethanol, which is a major part of the RFS established in the 2005 energy bill and expanded in the 2007 bill and is also subject to tax provisions encouraging its use.

To date, petroleum-derived fuels still dominate the transportation sector, and that is unlikely to change in the near term. But over a longer time horizon, increased diversity in the fuel supply and vehicle mix is much more likely, and efforts currently underway will be necessary in order to achieve that transformation.

## **III. ISSUES**

The following issues will be examined at the hearing:

- the current status of the RFS, and implementation challenges facing regulators, producers, and marketers of renewable fuels;
- the prospects for meeting future conventional and advanced biofuels targets under the RFS, and issues related to their incorporation into the gasoline supply;
- the prospects for other alternative fuels, such as coal-to-liquids;
- current federal research into alternative vehicle technologies and the prospects for future market penetration;
- the current status of efforts to expand the use of natural gas and electric vehicles; and,

- the impacts of various alternative fuels and vehicles on the cost of driving, the economy, jobs, and national security.

#### **IV. STAFF CONTACT**

If you have any questions regarding this hearing, please contact Ben Lieberman at 5-2927.